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C O N F I D E N T I A L JERUSALEM 000894

SIPDIS

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TAGS: [PREL](#) [PGOV](#) [PINR](#) [PHUM](#) [IS](#) [KWBG](#)
SUBJECT: GOI COMMITTEE APPROVES PLAN FOR 200-ROOM HOTEL IN
EAST JERUSALEM

Classified By: DPO Greg Marchese, per reasons 1.4 (b) and (d)

11. (C) Summary. The Israeli Ministry of Interior (MOI) on June 2 approved a plan for a 200-room hotel in the Wadi Joz neighborhood of East Jerusalem, which will involve the demolition of a Palestinian wholesale market and kindergarten. The approval was welcomed by the Jerusalem Municipality, which calls the site "underdeveloped." The PA is preparing a legal case to challenge the approval, including the municipality's claim to ownership of the land. End summary.

Jerusalem Municipality Applauds
"Development" in Wadi Joz

12. (C) Aide to the Jerusalem Mayor for Foreign Affairs Stephan Miller confirmed to Poloff on June 4 that the Israeli MOI's district planning committee approved a plan on June 2 for the state-owned Jerusalem Development Authority to build a 200-room hotel in the Wadi Joz neighborhood of East Jerusalem, east of the Rockefeller Museum. Miller applauded the approval, calling the site, which he claims is owned by the Jerusalem Municipality, "underdeveloped" and "rat-infested." He confirmed that the Palestinian wholesale market and kindergarten would be demolished to clear the site for the hotel, and claimed that the vendors will be moved to "new, improved commercial space," though he could not confirm the location of the new commercial space, or whether the kindergarten would also be relocated.

PA Preparing Legal Case Contesting Hotel

13. (C) PA Minister for Jerusalem Affairs Hatem Abdul Qader told PolSpec on June 5 that the PA is assembling a team of lawyers to study the plan for the hotel and prepare a legal case objecting to it. Abdul Qader said the PA has requested a briefing from the Jerusalem Municipality. He said the PA is prepared for a "tough" legal battle "at the highest levels," including the Israeli High Court of Justice (HCJ), if necessary. He said the site was owned by the Jordanian government prior to Israel's annexation of East Jerusalem in 1967, when the Jerusalem Municipality claimed ownership of it. Abdul Qader said a portion of the land may be owned by the Waqf.

Peace Now Concerned,
Estimates Two Year Timeline

14. (C) Head of NGO Peace Now's Settlement Watch Hagit Ofra confirmed that the plan was approved on June 2 for depositing. Once deposited, the district planning committee will open a 60-day window for objections to be submitted, and

handling the objections will probably delay the process by more than six months, especially if any rejected objections are taken to the Israeli HCJ. Ofra opined that if the district planning committee overcomes all legal challenges and approves the plan for construction, it will take another year for the MOI to offer the tender, receive bids from contractors, receive permits, and begin construction.

WALLES